California Energy Commission
Pittsburg District Energy Facility
98-AFC-1

Meeting Summary

RE: Energy Commission Staff Information and Issues Workshop
December 15, 1998

Introduction

Lorraine White, Energy Commission Siting Project Manager, opened the workshop at 6 pm. The purpose of the workshop was to discuss information submitted by Pittsburg District Energy Facility, Limited Liability Company, the applicant, in its AFC supplement that was filed December 7, 1998 and allow for public questions and comments.

Brian Murnahoa, a legislative aid to Assemblyman Torlaksen, asked to read a letter from the assemblyman and have the letter put on record. The letter was read and submitted to the project docket.

Applicant Presentation

Ms. White introduced Sam Wehn, representing the applicant for Pittsburg District Energy Facility (PDEF), to discuss the changes to the original project proposal as described in the AFC supplement. Mr. Wehn stated that the applicant's objective was to develop, engineer and operate a 500 MW power facility on the south side of 3rd Street. The proposed power plant will sell power and steam to USS-POSCO. The applicant is opening an office downtown on 3rd Street next Monday (December 21, 1998). They have hired Christina Sovala, a resident of the central district, to answer questions, and they will have all of the information about the project available for public review.

Mr. Wehn stated that they have modified the project to meet the needs of USS-POSCO and the applicant, as well as to address the concerns of the California Energy Commission and the public. The applicant is continuously refining the project to address concerns.

Brief Discussion of Modifications to the Original Proposed Facilities -

1. Referring to photo-simulations and maps that outlined the linear facilities, Mr. Wehn described the new alternate transmission routes (route 10 and 10a) on 8th Street. Since the city plans to renovate a portion of 8th Street, having the entire route above ground is not acceptable. This new alternate transmission route

runs from the power plant to the corner of 8th and Harbor Streets above ground. At the corner of 8th and Harbor the line will transition underground and run west along 8th Street for approximately 1 mile to PG&E's property. Once on PG&E's property it will transition above ground and run to the Pittsburg Power Plant substation.

2. To address concerns about the stacks associated with the power plant, Mr. Wehn explained that the project has been rearranged to move the stacks as far to the east as possible. To reduce emissions, the applicant originally proposed 175 foot stacks; however, to address visual concerns, the stacks will be lowered to 150 feet and still meet the Environmental Protection Agency's and Bay Area AQMD standards.

3. The nearest noise receptor is located approximately 1800 feet from the proposed power plant. The applicant has redesigned the facility to keep the noise at this distance to 47 decibels, A-weighted scale (dBa). At this level, the impact at night will not be noticeable and certainly will not be noticeable during the day.

4. In terms of air quality, the applicant originally proposed a nitrogen oxide (NOx) emission level of 2.5 with flexibility to emit as much as 3.0. They decided that they could keep emissions as low as 2.5 and would not need the extra flexibility. In addition, they are increasing the capacity and operation of the auxiliary boiler from 500 to 1500 hours to meet commitments to USS-POSCO. In doing so the plant is expected to emit more particulate matter, 10 microns or less (PM10) and the applicant is negotiating PM10 offsets. It is likely that both boilers and turbines may run at the same time, but not often. The gas turbine vendors will guarantee PM10 emission levels of 17 pounds per hour, not anything less.

5. Mr. Wehn noted that there has been no changes proposed to the truck bypass road. The applicant has set up a Power Plant Advisory Committee; Cathy Russett was introduced as the public liaison to Enron and responsible for organizing this committee. Mr. Wehn said that many aspects of the power plant proposal are similar to the original AFC filed in June (1998).

Public Questions for Mr. Wehn Regarding Proposed Facility

1. Desideria La Costa, a resident living in the last house on Columbia Street at Santa Fe Avenue asked if any of the houses along the bypass road will be affected or demolished to build the road. She wanted to know where they are going to put the wall. Using a map showing the linear facilities and the proposed road, the applicant stated that no homes would be removed or altered to build the road and then described the wall. Changes to the ball fields near Columbia were also discussed (i.e., removing one ball field and fixing up an unused ball

field). Mr. Wehn indicated that neighborhood meetings have occurred to discuss the project.

2. Jack Hall from the City of Antioch asked how the reduced stack height will affect air quality or emissions. A representative from Woodward Clyde, a consultant to the applicant, stated that their analysis shows hardly any change in emissions by lowering the stack height.

3. Brian Barrow, a resident of Pittsburg, asked if the project would be taking water from the river or discharge directly to the river. Specifically, Mr. Barrows wanted to know if there would be any affect on salmon. Mr. Wehn stated that Delta Diablo Waste Water Treatment Facility (DDWTF) will supply treated water to the project and the project will send its waste water back to DDWTF. There will be no impact to salmon runs and the applicant will not be discharging directly to the river.

4. William (Bill) Glynn, a resident near the proposed project site, asked about proposals for alternative backup water supplies in the event that the water to be sent to the project from DDWTF is contaminated with effluent. Mr. Wehn stated that there is a 600,000 gallon storage tank proposed as an onsite emergency supply that can provide enough water for the plant to run for 12 hours. If DDWTF can not return service within 12 hours, the applicant would seek an alternative back up or be forced to shut down. To prevent any contamination into the supply to the proposed plant, there will be valving at both ends and DDWTF has controls installed that are required under their permit. It is DDWTF's responsibility to ensure that the water sent to the proposed plant is safe.

Staff Topical Discussion Items

Biological Resources: Marc Sazaki, Energy Commission staff conducting the biological analysis on the proposal, stated that the applicant has moved the proposed construction laydown area to the east of the project site and north of the retention basin to address concerns about impacts on biological resources. When the construction laydown area was to the south and west of the project site, there was concern of impacts to a seasonal wetland. The first set of photos showed this area wetted. Mr. Sazaki informed the applicant and public that staff had gone to the site earlier in the day and found that this there was no standing water in this area, but was still reparian habitat. Although the construction laydown area has been moved, the new proposed alternative transmission-line goes through the area of concern. Staff believes the applicant can avoid this area and may be conditioned to avoid it if this transmission route is chosen. Mr. Sazaki also stated that in talking with consultants to the applicant, a better description of the area will be provided to staff.

Socioeconomic: Dale Edwards, supervisor for the Energy Commission's staff analyzing socioeconomic impacts of the project, stated that staff received some of the responses to its November 16, 1998 data requests on December 8, 1998. He had not yet received the other responses. Ms. White stated that the applicant had hand delivered the other responses to staff's socioeconomic data requests from November 16, 1998 prior to the beginning of the workshop.

Jennifer Scholl, representing the applicant, asked if she could explain the responses that were provided. She said that the data responses did not provide the answer that was being sought but instead described her efforts to obtain the information. She contacted several of the building and trades organizations and union offices and asked them to respond to the question of worker availability. These individuals indicated that it was too premature to give the number of available workers for a project that will not begin construction for several months. They stated that there will be more than enough workers and that there has never been a shortage on any project in the area. The data response spelled out the questions asked these organizations and recorded their responses. Ms. Scholl offered to provide Energy Commission staff with data regarding the current number of workers available in a given trade.

(*As corrected 1/13/98 to reflect comments from Kate Poole in her letter dated January 6, 1998*) Kate Poole, representing CURE, stated the organization's willingness to support the applicant's efforts to gather more specific information regarding the availability of local labor for the project.

Mr. Edwards stated that more detailed numbers on worker availability will be required to complete the analysis for the Final Staff Assessment (FSA).

John Garcia, a resident of Pittsburg, agreed that there probably is a sufficient work force, but wants some assurance that locals will be hired to work on the project.

Ed McMumm, a member of the public, stated that the key issue is hiring local workers. He wants jobs allocated in the county first, before hiring from outside the area. He is taking the opportunity to talk with the city manager regarding jobs for union employees. He also said that he watched Enron make a sincere effort to address citizen concerns. He wanted to stress to the Energy Commission that "time is money" and it's extremely important not to delay this project.

Mr. Barrow, a boiler-maker from Local 504, explained that it might be difficult to guarantee that locals are hired because when you hire contractors through the unions, they go down a list blindly. There are no provisions through the unions for hiring local residents. He suggested that the Energy Commission should compel Enron to hire local workers.

Tom Bocken, representative for boiler-makers in the state's 48 northern counties, suggested that there have been provisions made in the past to hire local workers. In the Crocket case, there was an outreach program set up to hire locals.

Mr. Edwards stated that the Energy Commission's policy is to seek the maximum number of workers are hired locally on projects. Greg Feere, from Contra Costa Building and Construction Trades Council, stated that there are between 20,000 and 25,000 building trades people in the area. He wants to exhaust local resources before going to outside the area. On other projects there have been "first source agreements". Jeff Kolin, from the City of Pittsburg, said he was in support of hiring union labor locally. He suggested that workers could be prescreened and the city would assist in getting labor unions involved.

Air Quality: Guido Franco, Energy Commission staff conducting the air quality analysis, stated that a significant amount of data is included in the AFC supplement. The data reflects a lot of changes in the air quality area and is essentially a new application.

Staff has not yet completed its review of the information but there are some general issues that have arisen with this new information. For example, Enron has changed the model they used to do their analysis to the "OCD model", a coastal dispersion model. Energy Commission staff is not familiar with this model and have talked with Dr. Glen Long with the Bay Area AQMD to get a better understanding of the model and data. Also, Energy Commission staff has had difficulty reproducing the calculations used to generate the new data. At this time, staff believes that a technical air quality workshop may be necessary to address Energy Commission staff's questions and concerns. Staff's job right now is to make sure it understands the data.

Mr. Franco began his specific questioning with an inquiry of the total dissolved solids (TDS) data. He noted that the TDS numbers were for incoming water, but that the emissions data is mostly based on outgoing concentrations. The applicant stated that the water would be cycled three times and referred Mr. Franco to Table 5.5-6 in the supplement.

At this point its was discussed whether it was useful to continue with a highly technical discussion or wait until the end of the workshop. It was decided that the air quality technical discussion would be delayed until the end of the workshop.

Transmission Related Issues: Ean O'Neill, Energy Commission staff conducting the transmission analysis, asked a series of questions of the applicant to which the applicant responded. These questions are as follows:

1. The new location for the switchyard is being constructed to the west of the project. The starting point for the proposed single circuit going to the USS POSCO substation begins to the east of the project. How do you intend to make the connection between the switchyard and first pole of the transmission line?

Answer: From the southwest side of the switchyard a 115 kV single circuit line will be constructed to the southeast side of the plant site. At that point a transmission pole will be installed. From there the line will travel north to Point A. Refer to Map 3.2-1 for reference to Point A.

2. Have you determined what conductor sizes are being used for the overhead sections of the project?

Answer: Conductor sizes will be determined later in the design phase of the project.

3. Can you provide a physical description of the underground cable being used in the project – either solid dielectric or high-pressure oil-filled pipe type cable?

Answer: The cable will be solid dielectric. The conductor size will be determined later in the design phase of the project. The cables will be a double circuit, which consists of three cables per circuit. The cables will be arranged horizontally with four conduits on the top and four conduits on the bottom (two spare conduits). The conduits will be encased with concrete with three feet of dirt on top of the concrete. A sketch of the trench configuration will be provided during the week of December 21, 1998.

4. Can you describe the transition stations from overhead to underground and underground to overhead?

Answer: The applicant will provide a sketch of the transition station during the week of December 21, 1998.

5. Which alternative in the Interconnection Study are you using for the new proposed route?

Answer: Alternative 2A.

6. Have you decided on a trench configuration (depth and width)?

Answer: 6.5 feet deep (x) 4 feet wide

7. Do you anticipate there being any transmission line upgrades required due to PDEF being added to the system? Example: Interconnection Study Alternative 1 – in order for PDEF to generate at full output with one line out reconductoring is required of the Pittsburg-Columbia Steel 115 kV, Pittsburg-Kirker-Posco 115 kV and Posco-Columbia Steel 115 kV circuits up to Dow Chemical tap points with two 2300-kcmil AAC conductors bundled.

Answer: This topic is going to be discussed between PG&E and the Independent System Operator (ISO) at a later date.

Other topics will be discussed at a later date between PG&E and the ISO. The ISO is concerned about off-peak hours. It would like PG&E to run these studies. The applicant is concerned about the results of the study that indicates that some 230 kV lines become overloaded once PDEF is added to the system. The applicant is questioning how PG&E set up the study. These topics are to be resolved at a later date. Ms. O'Neill has been invited to attend the meeting when it takes place.

Visual Resources: Gary Walker, Energy Commission staff conducting the visual analysis, stated that many of his questions had been addressed in a conference call with Larry Headley, consultant to the applicant, the previous day and that he was summarizing the issues discussed for this workshop.

1. Mr. Walker noted that the applicant did not propose any mitigation to address lighting (i.e., shielding) and learned that mitigation for lighting had been designed right into the project proposal. The applicant assured staff that night lighting will be addressed.

2. Mr. Walker mentioned that he too is interested in what the transitional structure for the transmission line is going to look like and will look forward to seeing the sketches promised. There are no photo-simulations in the original AFC or supplement that show this structure. The applicant said that it was not a large facility and should not be a major visual concern.

3. In the photo-simulations, Figure 5.13-14, showing 2 poles from a point in Marina Park, it appears the poles are some height less than 150 feet or are distorted. The applicant explained that the poles will be in a culvert (about 20 feet deep) next to the park. Mr. Walker suggested that this view from within the park may need to be re-done to better show the impact of these poles and transmission lines on the visual resources in this area. In addition, along this section of the transmission route (alternative 10), there will be about four poles from the point the line comes above ground to the substation (each span is about 700-800 feet). The simulation only showed two poles.

Ralph Ramirez, a resident of Pittsburg, asked how close the poles are to the sewage pump station located at the end of 8th Street and how close the towers are to the new homes in that area. These questions could not be answered definitively because the exact position of the poles has not been determined.

4. Mr. Walker asked the applicant to provide to staff a photo-simulation of the proposed transmission line showing the skyline to the southwest, above the storage tanks to the west of Marina Park (perhaps from somewhere within the ball diamond). It is difficult to determine the visual impact with the existing simulations. The applicant agreed to create this simulation for staff's analysis.

5. Mr. Walker stated that the photo-simulation, Figure 5.13-3, shows some visible plumes and requested that the applicant provide staff with information on estimated frequency and duration of these existing plumes. The applicant replied that they provided this information to some degree in their data adequacy response that indicated the plumes are dependent on meteorological conditions. They have no provisions to eliminate plumes, but have looked at plume abatement.

Public Comments and Questions

Ms. Poole said she had looked over the supplement and did not identify any new issues. She stressed that her organization does not support a 60 day extension of the schedule. Allen Thompson stated on behalf of the applicant that they are working with the unions to satisfy any concerns they may have.

Mr. Kolin stated that the city council reviewed the supplemental filing and has issued a Resolution expressing their concerns about extending the schedule. He stressed that the city is happy with the applicant's efforts to address concerns and make improvement to the project.

Mr. Glynn stated he rose in support of the resolution when it was before the council. However, he still is concerned that there is no baseline study that would show the impacts of this project on the air quality of Pittsburg because there is no monitoring station in Pittsburg. He inquired if a particulate monitoring station could be established in Pittsburg. He also said that the truck route must be built before the plant to mitigate the truck traffic problems.

In addition, Mr. Glynn suggested that the transmission line height be minimized from the proposed plant to the corner of 8th and Harbor Streets to ensure public health and safety. He did not want the soundwall bordering the truck bypass to become a graffiti palette. He hopes that there will be some kind of special construction or other mitigation to avoid this from happening.

Lastly, Mr. Glynn supports the idea of “first in, first out” in the Energy Commission licensing process. He feels there will be economic impacts by delaying the project 60 days and is against doing so.

Mr. Barrow said that he is concerned about the plumes. He suggested that building enclosures or some structure similar to the one at the C & H power plant could reduce the plumes. This could make the power plant quieter and eliminate the plume.

Mike Hernandez, from UA Local Union 342, stated that his Local has 2,000 active members and that they will use local workers. He believes the project should go forward and that there be no 60-day delay.

Cathy Russett described the Power Plant Advisor Committee. It is to be made up of 13 people from the community and will have its first meeting on January 13th to discuss organization. Five members of the committee were appointed by the city council and others are from Marina Park, New York Landing, Central Park, and Village at New York Landing. Enron will be using this group to address public concerns. In February, the committee will begin addressing concerns about the soundwall. Ms. Sovala will also be assisting.

Mr. Wehn said that the soundwall and bypass road will take approximately four months to construct. Construction on this road will begin two months prior to construction on the power plant.

Summary of Technical Air Quality Discussion

Based on our partial review of the voluminous information submitted by ENRON Pittsburg we discussed the following topics:

1. There seems to be some errors in Table 5.2-2S. For example, the 413 micrograms per cubic meter ($\mu g/m^3$) total impact levels for nitrogen dioxide (NO_2) is not in agreement with the information included in other parts of the Table. The applicant was aware of these mistakes and provided corrected values verbally. The applicant will submit a revised table after the review process is over in order to avoid a series of errata pages submitted at different times.

2. The maximum 24-hr PM emission levels included in Table 5.2-4S are higher than the maximum emissions levels used in the modeling analyses as shown in Table 5.2-14. The applicant needs to correct these mistakes. Table 5.2-4S is an important table because it will be used to establish permitted levels. Unfortunately, an error in the input data to the air dispersion model would require additional modeling runs. Staff is willing to work with the applicant to minimize or negate altogether the need of additional modeling runs.

3. The maximum emission levels for the cooling towers have to be calculated using the maximum TDS content of the cooling water. This issue was raised verbally in the previous Energy Commission staff workshop. The maximum TDS content is the content of the water after the maximum number of recycling cycles. Again, the applicant may need to review the emissions calculations and modeling analyses. In Table 5.5-6, TDS levels are estimated at 850 microgram per liter (μg/l) for the incoming water, and 2550 μg/l for the discharge water. Staff wanted verification that 2550 μg/l was used to estimate emissions.

4. Table 5.2-6 contains information on maximum NOx emissions during start-up and shutdown conditions. Note 1 on this table indicates that these emissions occur during hot starts. From staff's experience the highest emissions occur during cold starts. This issue has been raised before with the applicant. We believe that this was only a typographical mistake (see the note on Table 5.2-16). The applicant should easily correct this error.

5. Table 5.2-10 contains the results of the screening modeling analysis. The screening modeling analysis was supposed to provide the worst case parameters needed for the refined modeling analyses. It seems that the screening analysis was not updated to reflect the lower stack height proposed in the supplemental application. This is a departure from the modeling protocol used in the original analyses. Staff suggested that the applicant must explain why an analysis with a lower stack height was not performed. We suggested that the applicant use the refined modeling analyses done previously for the 175 foot stacks to demonstrate that the 150 foot stacks do not result in substantial increases in impact level. Therefore a screening analysis with a 175 foot stack may be adequate considering the uncertainties involved in any air dispersion modeling analysis. It is important to note, however, that the District, at its discretion, may require the applicant to perform the screening analyses with the new 150 foot stack heights.

6. Table 5.2-15 indicates that the Bay Area AQMD <u>regulatory</u> significant impact level for 1-hr NO_2 is 19 $\mu g/m^3$. This Table shows that this level would be exceeded during start-up conditions. This seems to contradict the assertion than the project will not result in any exceedances of <u>regulatory</u> significant levels. Mr. Franco indicated to the applicant that his understanding is that the 19 $\mu g/m^3$ does not apply during transient conditions.

7. Recent operational data from existing power plants suggest that 6 ppmvd (15% ozone) for carbon monoxide (CO) may not be attainable on a consistent basis. The CEC staff and the Bay Area AQMD are investigating this situation and it is possible that the District would revise their Best Available Control Technology (BACT) determination for CO. Staff wanted the applicant to be aware of this situation since we do not intend to issue permit conditions that may not be achievable. If the Bay Area AQMD directs the applicant to increase the

assumed CO level, we will work with the applicant and the Bay Area AQMD to minimize or negate altogether the need for additional modeling analyses.

8. The applicant said that the new shoreline fumigation analyses included in Table 5.2-17 was done in agreement with the modeling guidelines provided by the Bay Area AQMD. However, staff indicated to the applicant that from its conversations with Dr. Glen Long from the Bay Area AQMD, the review of the modeling done with the OCD model may require a significant amount of time to complete.

At the end of the exchange of information, we pointed out that our comments are only a first round of comments and questions based on the material that we had been able to review so far. Staff intends to ask more clarifying questions of the applicant, perhaps during a technical workshop. Staff can not rule out the possibility of additional data requests. The Bay Area AQMD is also reviewing this new material and will submit requests for additional information, if needed.

Record Completed by Lorraine White, Project Manager
January 4, 1999

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